GOVERNMENT OF INDIA
SMALL SCALE INDUSTRIES AND RURAL AND AGRO INDUSTR
LOK SABHA

UNSTARRED QUESTION NO:3775
ANSWERED ON:16.08.2000
FINANCIAL ASSISTANCE TO KVIC
T. GOVINDAN

Will the Minister of SMALL SCALE INDUSTRIES AND RURAL AND AGRO INDUSTR be pleased to state:

(a) whether the Union Government have received any request to reintroduce the system to extend financial assistance to Khadi & Village industries Commission by way of loans which was discontinued in 1995; and

(b) if so, the details thereof and the action taken in this regard?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF SMALL SCALE INDUSTRIES AND AGF RURAL INDUSTRIES (SMT. VASUNDHARA RAJE)

(a): Yes, Sir.

(b): Requests have been made to reintroduce the pattern approach instead of the project approach under the margin Money Scheme. The request cannot be agreed to as the KVIC is not percieved as a Financial Institution. Besides, the present system uses bank credit in addition to the govt. grants, for the implementation of the projects.